



HEBER CREEPER

P.O. BOX 69, HEBER CITY, UTAH, 84032

PHONE: (801) 654-2621

December 11, 1974

Mr. C.H. Nielsen, Vice President
Wasatch Railway Museum and Foundation
8330 Valiant Drive
Salt Lake City, Utah 84121

Dear Mr. Nielsen,

According to our books, the Heber Creeper has advanced \$43,261.60 from the beginning of our relationship through December 1973, a figure appearing on the financial statements of the Heber Creeper furnished to you as well as to all other directors of the Heber Creeper.

The amount as of September 30, 1974 has increased to \$46,238.11. In-as-much as we do not have enough business activity after September to justify bookkeeping expense, a more accurate year-to-date figure cannot be easily furnished until after the close of our fiscal year, December 31, 1974.

However, all business records are available to you and any other officer of the Heber Creeper and those officers and or directors who are also officers of the Foundation, as well as any stockholder of the Heber Creeper, an open record policy that has always been part of our corporate policy that you as a director are aware of.

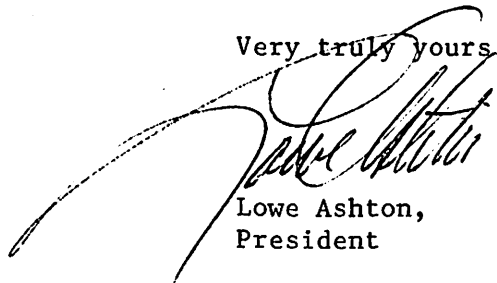
However, figures only represent those items that management deemed of such value as to be capitalized that were an obvious improvement in the value as the foundation's equipment. The figures for repairs that are to foundation equipment to be repaid to the Heber Creeper prior to the foundation receiving any actual funds as per our lease agreement have not been included in the above totals.

In-as-much as the balance of your letter indicates a more stringent resume of controls and information than have ever been asked for in the past, and are controls that are not part of the lease between us, the company cannot do so unless the Museum is willing to guarantee and demonstrate their financial capacity to pay for the additional costs of accounting involved.

From the outset of our working relationship with the foundation in which you have participated, the understanding is that membership on the Board of Directors guaranteed to the foundation by the lease agreement is adequate protection for the Foundation's interest.

As we have stated before, our records are available to any bonafied stockholder or officer of the company. If the Foundation must increase the detail of their own records to satisfy the Internal Revenue Service, then it must do so on their own time and money spent in research. If an officer of the Museum who is also a Director of Stockholder of the Heber Creeper wants to make arrangements to inspect our books to prepare the proper documents, please contact our general manager Mr. Rey Arnold, for an appointment, and he has been instructed to have a clear understanding with the Foundation as to the costs of preparation of any papers you may wish to supplement your records. I am sure, as a Director of the Heber Creeper, you can understand the necessity of the foundation bearing any out-of-pocket costs that may be incurred if the Heber Creeper is to perform any services above and beyond those specified in the lease agreement, particularly of those costs are incurred as a by-product of the Foundation's relations with entities other than the Heber Creeper.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'Lowe Ashton', is written over the typed name. The signature is fluid and cursive, with a long horizontal stroke extending to the left.

Lowe Ashton,
President

CC: Directors of Heber Creeper